



May 25, 2017

AmTrust Financial Services, Inc. to Receive Proceeds of \$300 million of Common Equity Capital From Private Placement

Capital Contribution to Further Enhance Balance Sheet and Capital Base
Proceeds to Be Put Directly into Insurance Operations to Support Organic Growth Opportunities

NEW YORK, May 25, 2017 (GLOBE NEWSWIRE) -- **AmTrust Financial Services, Inc.** (Nasdaq:AFSI) (the "**Company**" or "**AmTrust**") announced today that it will issue common equity to raise gross proceeds of US\$300 million through a private placement ("Private Placement"). The common equity shares were priced at \$12.45 per share. AmTrust's common stock closing market price on the Nasdaq Stock Market on Thursday, May 25, 2017 was \$12.45 per share. The investment will further enhance AmTrust's balance sheet and capital base. AmTrust intends to direct the proceeds from the Private Placement to the Company's insurance subsidiaries to support their financial strength, continued organic growth, and writing of business. The transaction is expected to close on May 26, 2017.

Members of the Karfunkel family are the sole participants in the Private Placement. The purchasers will receive unregistered common shares in AmTrust, as well as certain rights to register the shares at a future date. Additionally, the purchasers have agreed not to transfer the common stock, subject to certain limited exceptions for bona fide estate planning purposes, for a period of one-year from purchase and will not exercise their right to vote their shares of common stock until after the conclusion of the Company's 2018 annual meeting of shareholders.

"Members of the Karfunkel family chose to make this investment because they believe strongly in the Company's future," said Barry Zyskind, Chairman and Chief Executive Officer, AmTrust. "Since its founding in 1998, AmTrust has grown from an entrepreneurial start-up into one of the largest specialty property and casualty insurers in the U.S., with an expanding global presence. The capital contribution gives AmTrust a higher capital base to support our business platform and organic growth opportunities. In addition to enhancing our balance sheet and capital base, this sizeable investment of \$300 million should also provide confidence to all of our stakeholders that we are well capitalized to grow and write business. We remain committed to continuing to support growth and maintain confidence in AmTrust."

The members of the Company's independent audit committee, with the assistance of its outside legal and financial advisors reviewed terms of the Private Placement on behalf of the Company.

About AmTrust Financial Services, Inc.

AmTrust Financial Services, Inc., a multinational insurance holding company headquartered in New York City, offers specialty property and casualty insurance products, including workers' compensation, commercial automobile, general liability and extended service and warranty coverage through its primary insurance subsidiaries rated "A" (Excellent) by A.M. Best. For more information about AmTrust visit www.amtrustgroup.com.

Forward-Looking Statements

This news release contains certain forward-looking statements that are intended to be covered by the safe harbors created by the Private Securities Litigation Reform Act of 1995. When we use words such as "anticipate," "intend," "plan," "believe," "estimate," "expect," or similar expressions, we do so to identify forward-looking statements. Examples of forward-looking statements include the plans and objectives of management for future operations, including those relating to future growth of our business activities and availability of funds, projections of the impact of potential errors or misstatements in our financial statements, and estimates of the impact of material weaknesses in our internal control over financial reporting, and are based on current expectations that involve assumptions that are difficult or impossible to predict accurately and many of which are beyond our control. Actual results may differ materially from those expressed or implied in these statements as a result of significant risks and uncertainties, including, but not limited to, non-receipt of expected payments from insureds or reinsurers, changes in interest rates, a downgrade in the financial strength ratings of our insurance subsidiaries, the effect of the performance of financial markets on our investment portfolio, the amounts, timing and prices of any share repurchases made by us under our share repurchase program, development of claims and the effect on loss reserves, accuracy in projecting loss reserves, the cost and availability of reinsurance coverage, the effects of emerging claim and coverage issues, changes in the demand for our products, our degree of success in integrating acquired businesses, the

effect of general economic conditions, state and federal legislation, regulations and regulatory investigations into industry practices, the impact of known or potential errors or misstatements in our financial statements, our ability to timely and effectively remediate the material weaknesses in our internal control over financial reporting and implement effective internal control over financial reporting and disclosure controls and procedures in the future, risks associated with conducting business outside the United States, the impact of Brexit, developments relating to existing agreements, disruptions to our business relationships with Maiden Holdings, Ltd. or National General Holdings Corp., breaches in data security or other disruptions with our technology, heightened competition, changes in pricing environments, and changes in asset valuations. Additional information about these risks and uncertainties, as well as others that may cause actual results to differ materially from those projected, is contained in our filings with the SEC, including our Annual Report on Form 10-K and our quarterly reports on Form 10-Q. The projections and statements in this news release speak only as of the date of this release and we undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

For more information, please contact:

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